

## **FISCAL NOTE**

### **HB 2298 - SB 2292**

March 14, 2007

**SUMMARY OF BILL:** Requires hospitals to develop programs for qualified self-pay patients who are eligible based on family income for discounts determined by each facility which includes a discount that restricts charges to no more than 120 percent of the applicable Medicare rates for household incomes below 300% of the federal poverty guidelines.

#### **ESTIMATED FISCAL IMPACT:**

**Other Fiscal Impact – Could lead to an increase in hospital rates to cover the loss of revenues from the discounted prices offered to self-pay patients which could result in an increase in expenditures for the state and local govt. health insurance plans and an increase to the TennCare program MCOs reimbursement to hospitals.**

**Potential Impact on Health Insurance Premiums (required by Tenn. Code Ann. § 3-2-111): Any increase in hospital rates will result in an increase in health insurance premiums which cannot be determined.**

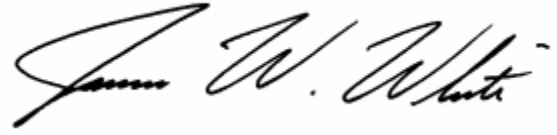
#### Assumptions:

- Many of the individuals who would be qualified to participate in this program are not paying full charges at present, if any payment for services is made at all.
- This bill does not require a payment plan for services not covered by Medicare, Medicaid, or worker's comp.
- Patients that do not provide income information or own assets exceeding 50% of the billed charges are not eligible.
- Most hospitals currently refer individuals with no insurance to the Department of Human Services to file an application for Medicaid/TennCare benefits.
- This bill prohibits hospitals from foreclosing on homestead property that is owned by a qualified self-pay patient and from seeking a court order to force payment of hospital bills for medical services provided to qualified self-pay patients.

#### **CERTIFICATION:**

**HB 2298 - SB 2292**

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, reading "James W. White". The signature is written in a cursive style with a large, stylized "J" and "W".

James W. White, Executive Director